IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF NEW MEXICO

SOUTHWEST REINSURE, INC.,

Plaintiff,

v. Case No. 11-CV-00689 RHS/ACT

SAFFA REINSURANCE CO., LTD.,
VEHICLE EXTENDED REINSURANCE CO., LTD.,
and BAKERSFIELD GROUP REINSURANCE CO., LTD.

Defendants.

FIRST AMENDED COMPLAINT FOR RESTITUTION

Southwest Reinsure, Inc., a New Mexico corporation ("Plaintiff"), by counsel, for its First Amended Complaint for Restitution, states as follows:

GENERAL ALLEGATIONS

1. Plaintiff is a New Mexico corporation with its principal place of business at 2400 Louisiana Blvd., N.E., Bldg. #4, Albuquerque, NM 87110.

2. Defendant Saffa Reinsurance Co., Ltd ("Saffa") is a company incorporated under the laws of the Turks and Caicos Islands, British West Indies, which did business in New Mexico with Plaintiff in connection with the obligation set forth below.

3. Defendant Vehicle Extended Reinsurance Co., Ltd ("VERC") is a company incorporated under the laws of the Turks and Caicos Islands, British West Indies, which did business in New Mexico with Plaintiff in connection with the obligation set forth below.

4. Defendant Bakersfield Group Reinsurance Co., Ltd ("Bakersfield") is a company incorporated under the laws of the Turks and Caicos Islands, British West Indies, which did business in New Mexico with Plaintiff in connection with the obligation set forth below.

5. The Court has jurisdiction over the subject matter herein and has jurisdiction over the parties to this action.

6. Venue is proper in this Court.

COUNT I
CLAIM FOR RESTITUTION AND UNJUST ENRICHMENT
(SAFFA)

7. Plaintiff incorporates the foregoing allegations by this reference.

8. On or about September 12, 2001, Saffa entered into a Reinsurance Agreement with (the “2001 Saffa Reinsurance Agreement”) Century Automotive Service Corporation (“Century”).

9. On or about the same date, Saffa and Plaintiff entered into a certain Management Agreement (with all amendments, the “Saffa Management Agreement”).

10. On or about July 1, 2004, Saffa entered into a Reinsurance Agreement with Dealers Alliance Corporation (“Dealers Alliance”) (the “2004 Saffa Reinsurance Agreement”) (together with the 2001 Saffa Reinsurance Agreement, the “Saffa Reinsurance Agreements”).

11. On or about the same date, Saffa and Plaintiff amended the Saffa Management Agreement so that it applied to the 2004 Saffa Reinsurance Agreement.

12. Without any legal obligation to do so, and for the sole benefit of Saffa, Plaintiff paid $172,164.84 of Saffa’s obligations under the Saffa Reinsurance Agreements (together with any other amounts the Court may find are due and owing by Saffa to Plaintiff, the “Saffa Amount Due”).

13. Plaintiff paid the Saffa Amount Due on behalf of Saffa, to discharge Saffa’s obligations to the obligors under the Saffa Reinsurance Agreements.

14. Saffa, rather than Plaintiff, had the responsibility to pay the Saffa Amount Due to such obligors.

15. Payment of the Saffa Amount Due directly benefitted Saffa.

16. Saffa has been unjustly enriched, and has received a benefit from Plaintiff, to the extent of the Saffa Amount Due.

17. Pursuant to the principles of quasi-contract or quantum meruit, and/or the legal theory of money hand and received, and with the principal objective to prevent unjust enrichment, Plaintiff is entitled to restitution from Saffa for the Saffa Amount Due.

18. Saffa has knowingly benefitted at Plaintiff's expense in a manner such that allowing Saffa to retain the Saffa Amount Due would be unjust.

19. Plaintiff has made demand upon Saffa to repay the Saffa Amount Due, but Saffa has refused and/or failed to do so.

20. Plaintiff is also entitled to recover pre- and post-judgment interest, and all recoverable collection costs.

COUNT II
CLAIM FOR RESTITUTION AND UNJUST ENRICHMENT
(VEHICLE EXTENDED)

21. Plaintiff incorporates the foregoing allegations by this reference.

22. On or about October 16, 2001, VERC entered into a Reinsurance Agreement with Century (the "2001 VERC Reinsurance Agreement").

23. On or about the same date, VERC and Plaintiff entered into a certain Management Agreement (with all amendments, the "VERC Management Agreement").

24. On or about July 1, 2004, VERC entered into a Reinsurance Agreement with Dealers Alliance (the "2004 VERC Reinsurance Agreement") (together with the 2001 VERC Reinsurance Agreement are referred to as the "VERC Reinsurance Agreements").

25. On or about the same date, VERC and Plaintiff amended the VERC Management Agreement so that it applied to the 2004 VERC Reinsurance Agreement.

26. Without any legal obligation to do so, and for the sole benefit of VERC, Plaintiff paid $326,826.56 of VERC's obligations under the VERC Reinsurance Agreements (together with any other amounts the Court may find are due and owing by VERC to Plaintiff, the "VERC Amount Due").

27. Plaintiff paid the VERC Amount Due on behalf of VERC, to discharge VERC's obligations to the obligors under the VERC Reinsurance Agreements.

28. VERC, rather than Plaintiff, had the responsibility to pay the VERC Amount Due to such obligors.

29. Payment of the VERC Amount Due directly benefitted VERC.

30. VERC has been unjustly enriched, and has received a benefit from Plaintiff, to the extent of the VERC Amount Due.

31. Pursuant to the principles of quasi-contract or quantum meruit, and/or the legal theory of money hand and received, and with the principal objective to prevent unjust enrichment, Plaintiff is entitled to restitution from VERC for the VERC Amount Due.

32. VERC has knowingly benefitted at Plaintiff's expense in a manner such that allowing VERC to retain the VERC Amount Due would be unjust.

33. Plaintiff has made demand upon VERC to repay the VERC Amount Due, but VERC has refused and/or failed to do so.

34. Plaintiff is also entitled to recover pre- and post-judgment interest, and all recoverable collection costs.

COUNT IV
CLAIM FOR RESTITUTION AND UNJUST ENRICHMENT
(BAKERSFIELD)

35. Plaintiff incorporates the foregoing allegations by this reference.

36. On or about January 1, 2006, Bakersfield entered into a Reinsurance Agreement with Century (the "Bakersfield Reinsurance Agreement").

37. On or about the same date, Bakersfield and Plaintiff entered into a certain Corporate Services Agreement (the "Bakersfield Services Agreement").

38. Without any legal obligation to do so, and for the sole benefit of Bakersfield, Plaintiff paid $30,418.69 of Bakersfield's obligations under the Bakersfield Reinsurance Agreement (together with any other amounts the Court may find are due and owing by Bakersfield to Plaintiff, the "Bakersfield Amount Due").

39. Plaintiff paid the Bakersfield Amount Due on behalf of Bakersfield, to discharge Bakersfield's obligations to the obligors under the Bakersfield Reinsurance Agreement.

40. Bakersfield, rather than Plaintiff, had the responsibility to pay the Bakersfield Amount Due to such obligors.

41. Payment of the Bakersfield Amount Due directly benefitted Bakersfield.

42. Bakersfield has been unjustly enriched, and has received a benefit from Plaintiff, to the extent of the Bakersfield Amount Due.

43. Pursuant to the principles of quasi-contract or quantum meruit, and/or the legal theory of money hand and received, and with the principal objective to prevent unjust enrichment, Plaintiff is entitled to restitution from Bakersfield for the Bakersfield Amount Due.

44. Bakersfield has knowingly benefitted at Plaintiff's expense in a manner such that allowing Bakersfield to retain the Bakersfield Amount Due would be unjust.

45. Plaintiff has made demand upon Bakersfield to repay the Bakersfield Amount Due, but Bakersfield has refused and/or failed to do so.

46. Plaintiff is also entitled to recover pre- and post-judgment interest, and all recoverable collection costs.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment as follows:

A. For a money judgment in its favor and against Saffa in the amount of the Saffa Amount Due, together with any and all other sums due and owing by Saffa to Plaintiff, plus all recoverable collection costs, plus pre- and post-judgment interest at the maximum rate allowed by law;

B. For a money judgment in its favor and against VERC in the amount of the VERC Amount Due, together with any and all other sums due and owing by VERC to Plaintiff, plus all recoverable collection costs, plus pre- and post-judgment interest at the maximum rate allowed by law;

C. For a money judgment in its favor and against Bakersfield in the amount of the Bakersfield Amount Due, together with any and all other sums due and owing by Bakersfield to Plaintiff, plus all recoverable collection costs, plus pre- and post-judgment interest at the maximum rate allowed by law;

D. For costs; and

E. For all other just and proper relief.

THUMA & WALKER
a Professional Corporation

By: *Filed electronically*
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The undersigned hereby certifies that on November 9, 2011, in accordance with D.N.M.LR-Civ. 5.1 and Fed. R. Civ. P. 5(b)(2)(E), service of the foregoing document was made via the notice transmission facilities of the case management and electronic filing system of the District Court upon all those shown as receiving documents electronically.

Filed electronically
David T. Thuma